GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:540
ANSWERED ON:11.05.2007
OVERHEATING OF INDIAN ECONOMY
Jagannath Dr. M.

Will the Minister of FINANCE be pleased to state:

(a) whether an IMF Survey has recently cautioned that the Indian Economy is facing the risk of Overheating;

(b) if so, the policy response of the Government to the aforesaid survey;

(c) whether the Government has conducted its own survey to find whether the Economy has been overheated; and

(d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (d): A statement is placed on the Table of the House.

STARRED QUESTION NO. 540 (POSITION NO. 19)
STATEMENT REFERRED TO IN REPLY TO LOK SABHA QUESTION ON MAY 11, 2007
BY DR. M. JAGANNATH

OVERHEATING OF INDIAN ECONOMY

(a) Sir, the IMF, in its recently published World Economic Outlook has predicted that the pace of expansion would ease in India reflecting, in part, policy tightening in response to overheating concerns.

(b) Government has been implementing a series of fiscal, monetary and supply side augmentation measures to control inflation.

(c) The WPI based inflation data is published on a weekly basis. No separate survey has been conducted to find out whether the economy has been `overheated`.

(d) Does not arise in view of (c) above.